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## BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION SERVICE CHANGES, 2011

Docket No. N2012-1

# RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS EMILY ROSENBERG TO GREETING CARD ASSOCIATION INTERROGATORIES GCA/USPS-T3-40, 41(a-c), 42, 43, 45 THROUGH 50

The United States Postal Service hereby files the responses of witness

Emily Rosenberg to the above-listed interrogatories of the Greeting Card Association dated March 6, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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## GCA/USPS-T3-40

In your answer to GCA/USPS-T3-8(b), you state that "The scoring tool includes a subset of the iterations run." You also note that "no document that includes all iterations". For the subset of the iterations run, please answer the question as specified in the last two sentences of (b).

### RESPONSE

The scoring tool did not distinguish operating windows between single piece and presort letter mail. All iterations were run based on letters collectively.

#### GCA/USPS-T3-41

In your answer to GCA/USPS-T3- 9. (c), you state that it was realized "that mailers may be able to enter prior to the initiation of DPS processing[.]" To clarify your response, please answer the following questions.

- (a) Please confirm that in the clause quoted above, "mailers" refers only to Pre-sort mailers. If you do not confirm, please explain the scope of the term "mailers" as you used it in your answer.
- (b) Did the feedback and comments referred to in your response include any views or discussion of Single-Piece mail? If so, please describe any such views or discussion of which you are aware.
- (c) If your answer to (a) was to confirm that Presort mailers are considered able to enter prior to initiation of DPS processing, please explain why collection mail, such as local mail, could not be entered at a similar time, for example by adjusting pickup times as necessary?
- (d) If Presort bureaus can pick up and sort collection mail as well as bulk mail on Monday and submit it to USPS on Monday prior to initiation of DPS processing, why could not the Postal Service deal similarly with collection mail under the proposed plan?

- A. Confirmed.
- B. I am not aware of any such discussions.
- C. The answer confirms my limited understanding that some, not all Presort mailers have such ability. Otherwise, please see the response of witness Neri to GCA/USPS-T4-24 and the institutional response to GCA/USPS-T3-41(d).
- D. [Redirected to the Postal Service for an institutional response]

#### GCA/USPS-T3-42

- (a) With respect to your answer to GCA/USPS-T3-10, are all such potential future locations taken from existing locations, or are some nodes entirely new proposed locations?
- (b) If your answer in (a) states there are no new nodes, please explain why approximately the surviving half of an old network built for a different set of circum-stances can "optimize" the Postal Service's needs for the future.

- A. For the scoring tool, the nodes were theoretical processing nodes. No specific location is provided. The scoring tool was a strategic initiative to create a starting point for discussion around potential operating windows.
- B. Not applicable.

## GCA/USPS-T3-43

The correct citation for GCA/USPS-T3-11 is your testimony at page 3, line 20. With correction of the page number, please answer both questions in that interrogatory.

- A. In my testimony, "Local DPS Operation", refers to the processing plants service area.
- B. No. There is no non-local DPS operation. DPS operations are local in the same sense that letter carriers are local.

#### GCA/USPS-T3-45

The correct reference for the questions posed in GCA/USPS-T3-16 is LR 14\_REP, Excel File 14\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this clarification in mind, please answer the three parts of this question.

- A. No. The model is built to work on day increments.
- B. The analysis proposed is outside the scope of the modeling.
- C. The model is self-contained. All the data required to adjust the model to work on hourly increments are available for parties seeking to engage in such alternative analysis. Parties are free to adjust many assumptions to see the impacts of their sensitivity analyses.

#### GCA/USPS-T3-46

The correct reference for the questions posed in GCA/USPS-T3-20 - 23 is LR 14\_REP, Excel File 14\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this clarification in mind, please answer the four cited interrogatories.

### **RESPONSE**

The term "machine efficiency" was coined for modeling. There is no metric that measures machine efficiency in this context.

#### GCA/USPS-T3-47

Please refer to your response to GCA/USPS-T3-27. At any time in the planning for, and development of your scoring model:

- (a) Were you asked to develop or did you intend to develop a scoring model which did rank costs of various network scenarios?
- (b) If your answer to (a) is other than an unequivocal "no",
  - (i) was there a point in the development of your scoring tool when you or team recognized that its output would be more limited than envisioned when it came to comparing costs?
  - (ii) if your answer to (b)(i) is affirmative in any degree, please explain at what point in the development of the scoring tool this was recognized.

- A. No, I was not asked nor did I intend to develop a scoring model which ranks costs of various network scenarios.
- B. [i] and [ii] Not applicable.

### GCA/USPS-T3-48

The reference for the second sentence of GCA/USPS-T3-34 is LR 14\_REP, Excel File 14,\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this corrected citation, please answer the question.

### **RESPONSE**

This labor efficiency was used to calibrate the model. Given the operating window for cancellation is approximately four and half hours, only a little over half of an 8 hour employee's time would be working the AFCS. The AFCS is only used for the cancellation operation.

#### GCA/USPS-T3-49

Please refer to your answer to GCA/USPS-T3-36., specifically the first two items listed on your six point binary scale.

- (a) Please confirm that your usage of the term "service standard" means the current service standard. If you do not confirm, please explain your usage of "service standard."
- (b) Please confirm that if 99 percent of the single- piece mail met the current service standards for the first two items on your six point binary scale, and only 1 percent did not, the network scenario envisioned would in essence be deemed infeasible for 100 percent of that mail.
- (c) Please assume, hypothetically, that service standards were changed so that all mail meeting the criteria of the first two items on your scale (the 99 percent referenced in (b)), would be processed using current service standards, and the 1 percent would be processed for delivery a day later using an additional, modified standard for it. Please confirm that under such an assumption a number of the new networks that were deemed infeasible under your assumptions, would then be deemed feasible. If you do not confirm, please explain.
- (d) Assuming the service changes proposed in (c), please confirm that there would be a number of feasible new networks that did not eliminate overnight delivery for all single piece FCLM. If you do not confirm, please explain.
- (e) Assuming the service changes proposed in (c), please confirm that there would be a number of feasible new networks with less mail processing equipment and facilities than at present. If you do not confirm, please explain.

- A. No. Service standard refers to the service standard in the model.
- B. Confirmed.
- C. See the response to GCA/USPS-T3-12. There is a single service standard for every 3-digit ZIP Code origin-destination pair for First Class Mail.
- D. See the response to part C.
- E. See the response to part C.

#### GCA/USPS-T3-50

Please refer to your response to GCA/USPS-T3-38. Your answer appears to be based on the restrictive assumption that current service standards can be compared with only one type of change in service standards, namely an end to over-night delivery for all single -piece FCLM. Please assume a change in service standards as in the preceding interrogatory, GCA/USPS-T3-49, rather than elimination of overnight delivery for all single- piece FCLM, regardless of when it was entered into the system. Using this rather than the assumption that apparently governs your answer, please answer the question.

### **RESPONSE:**

See the response to GCA/USPS-T3-12. The scenario above was not considered.